

Date: 01-Apr-94 Time: 03:20 PM

SELLER (S) FINAL CLOSING STATEMENT

Prepared by
TELLURIDE MOUNTAIN TITLE COMPANY
335 W. COLORADO AVENUE
P.O. BOX 1440
TELLURIDE, COLORADO 81435
(303) 728-3025

Seller(s).....: RICO DEVELOPMENT CORPORATION, A COLORADO CORPORATION
Buyer(s).....: RICO PROPERTIES LIMITED LIABILITY COMPANY
Lender.....:
Property.....: PATENTED FEE LANDS IN DOLORES COUNTY, CO
Closing date...: 04/01/1994 Proration date: 04/01/1994
Escrow Officer: SHARON HELWIG
File Number...: 94010047

SALES PRICE.....: 1,515,500.00

REIMBURSEMENTS/CREDITS:

.....TOTAL REIMBURSEMENTS/CREDITS:
.....GROSS AMOUNT DUE TO SELLER: 1,515,500.00

LESS CHARGES AND DEDUCTIONS:

MISCELLANEOUS ADJUSTMENTS:
NON-REFUNDABLE EARNEST MONEY..... 75,000.00
COUNTY TAXES AS AGREED BY PARTIES..... 6,000.00

ESCROW CHARGES:
REAL ESTATE CLOSING FEE..... 2,000.00
PAYEE....: TELLURIDE MOUNTAIN TITLE CO.

TITLE CHARGES:
OWNER'S TITLE POLICY..... 3,740.00
Liability amount (OTP) \$1,515,500.00
PAYEE....: TELLURIDE MOUNTAIN TITLE CO.

.....TOTAL CHARGES AND DEDUCTIONS: 86,740.00
.....BALANCE DUE TO SELLER: 1,428,760.00

My signature hereon acknowledges approval of tax prorations. Any DEFICIT in delinquent taxes will be reimbursed to Title Company by the seller. Only the items specifically set out above have been addressed as part of this closing. The undersigned further acknowledges that the above information was assembled from sources other than this company and therefore, this company cannot guarantee the accuracy thereof. Interest on existing liens is figured to the date indicated and additional interest may have to be collected, if necessary, to secure the Release from the lienholder.

WE APPROVE THE FOREGOING SETTLEMENT STATEMENT, IN ITS ENTIRETY, AUTHORIZE PAYMENTS IN ACCORDANCE THEREWITH AND ACKNOWLEDGE RECEIPT OF A COPY HEREOF.

RICO DEVELOPMENT CORPORATION, A COLORADO CORPORATION

BY: Wayne E. Webb Jr. BY: _____

TELLURIDE MOUNTAIN TITLE CO.
BY: MARTIN S. SEGMAN
Escrow Officer

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RICO DEVELOPMENT CORPORATION, A COLORADO CORPORATION

BY: Wayne E. Smith BY: _____

TELLURIDE MOUNTAIN TITLE CO.
BY: Sharon Helwig
Escrow Officer

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RICO DEVELOPMENT CORPORATION, A COLORADO CORPORATION

BY: Wayne E. ... BY: _____

TELLURIDE MOUNTAIN TITLE CO
BY: MARTIN S. ...
Escrow Officer

PROMISSORY NOTE

April 1, 1994

On or before March 31, 1999, RICO PROPERTIES LIMITED LIABILITY COMPANY, a Colorado Limited Liability Company, promises to pay to the order of RICO DEVELOPMENT CORPORATION, a Colorado Corporation, c/o Telluride Mountain Title, Telluride, Colorado, the sum of One Million Four Hundred Ninety-nine Thousand Nine Hundred and no/100 Dollars (\$1,499,900.00), payable in quarterly installments of interest only commencing on or before July 1, 1994 and continuing on a like day of each and every quarter thereafter until paid in full. Interest shall be at the rate of eight percent (8%) per annum, which interest shall commence to accrue on April 1, 1994. The failure of Maker to make all payments hereunder in a timely manner shall void the option.

Maker reserves the right to prepay any or all of the unpaid balance any time without penalty.

The failure to pay any installment when due shall cause the entire unpaid balance of this note to become immediately due and payable at the election of the holder hereof. Presentment for payment and notice of non-payment are each hereby expressly and severally waived by the maker, or makers, and all endorser hereof; and in case payment of this note shall not be made at maturity, it is agreed by said parties that all costs of collection, including a reasonable attorney's fee, will be paid in addition and may be recovered as part hereof.

All payments of principal made hereunder for release of property or properties set forth on Exhibit "A", attached hereto

and incorporated herein by reference, shall be applied to reduce
the principal balance of the Promissory Note.
THIS IS A NON-RECOURSE PROMISSORY NOTE.

RICO PROPERTIES LIMITED LIABILITY
COMPANY, a Colorado Limited
Liability Company

BY: 

Address:

Box 220

Rico, Colorado 81332

REAL PROPERTY TRANSFER DECLARATION

GENERAL INFORMATION

Purpose: The real property transfer declaration is used by county assessors to establish the value of real property for property tax purposes and to properly adjust sales for sales ratio analysis. Refer to 39-14-102(4), C.R.S.

Requirements: All conveyance documents subject to the documentary fee submitted to the county clerk and recorder for recordation must be accompanied by a real property transfer declaration. This declaration must be completed and signed by the grantor (seller) or grantee (buyer). Refer to 39-14-102(1)(a), C.R.S.

Penalty for Noncompliance: Whenever a conveyance document is presented for recordation without the declaration, the clerk and recorder notifies the county assessor who will send a written notice to the grantee requesting that the declaration be returned within thirty days.

Failure by the grantee to submit the declaration may result in the assessor imposing a penalty of \$25.00 or .25%(.00025) of the sale price, whichever is greater. This penalty may be imposed for any subsequent year that the grantee fails to submit the declaration, until the property is conveyed again. All unpaid penalties are certified to the county treasurer for collection. Refer to 39-14-102(1)(b), C.R.S.

Confidentiality: Any information used by the assessor to determine the actual value of real property, including information derived from the real property transfer declaration is available to any taxpayer or any agent of such taxpayer, subject to confidentiality requirements as provided by law. The assessor is required to make the declaration available for inspection by the buyer or the seller if the seller filed the declaration.

1. **Address or legal description of real property.** Enter the correct street address or legal description of the real property. Do not use mailing addresses or P.O. box numbers:

DOLORES COUNTY PROPERTY

2. **Is this a transaction among related parties?** Indicate whether the buyer or the seller were related. Related parties include persons within the same family, business affiliates, or affiliated corporations.

Y/N NO

3. **Total sale price:** Indicate the total consideration paid for the property including real estate, personal property (carpeting, drapes, appliances, inventory, equipment, furniture) mobile homes, sheds, goodwill, water rights, mineral rights, and any other appurtenances.

\$ 1,515,500.00

4. **What was the cash down payment:** Enter the amount of the cash down payment, if any. If it is a cash sale, enter the total sales price.

\$ 1,515,500.00

5. **Did total sale price include a trade or exchange?** Indicate whether any other real or personal property was traded or exchanged as part of the transaction. For example, mark "Yes" if a vacant lot was traded as the down payment or if the sale included an amount for repair of the roof.

Y/N NO

6. **Did the buyer receive any personal property in the transaction?** Indicate if any personal property as described in #3 was included in the total sales price. If yes, give the approximate value as of the date of the sale.

Y/N NO

If yes, the approximate value: \$ _____

7. **Were mineral rights included in the sale?** Indicate if any portion of the mineral rights were transferred to the grantee. Mineral right is defined as an interest in minerals in and under the land and all accompanying rights and privileges.

Y/N YES

8. **Were water rights included in the sale?** Indicate if any water rights were transferred to the grantee. Water right is defined as the right to use the water of a natural stream or water furnished through a ditch or canal, for such purposes as irrigation, mining, power, or domestic use. Water rights are real property which may be sold and transferred separately from the land.

Y/N YES

9. **If applicable, you may include goodwill for a going business.** If the sale price included an amount for goodwill of an on-going business, indicate the approximate consideration paid. Goodwill is defined as the benefit or advantage of having an established business occupying the property.

Goodwill represents the difference between the purchase price and the value of the net assets.

Approximate value of goodwill? N/A

10. **Was less than 100% interest in the real property conveyed?** Mark "Yes" if only a partial interest is being conveyed. Mark "No" if the grantee is to have the benefit of 100% interest in the property.

Y/N NO

11. **Date of Closing:** Enter the date upon which the transfer of the property was completed.

APRIL / 1ST / 1994

month day year

IF THE PROPERTY IS FINANCED, PLEASE COMPLETE #12-#15

12. **Was the loan new _____ or assumed _____?** Indicate if the grantee obtained a new loan or assumed an existing loan on the property.

13. **What was the interest rate on the loan?** Enter the mortgage interest rate to be applied to the loan as stated in the financing agreement.

_____%

14. **What was the term of the loan?** Enter the length of time that will expire before the loan is fully paid as stated in the financing agreement. (10 years, 20 years, etc.) _____ years

15. **Were any points paid?** For the purpose of this document, a point is defined as a fee or charge equal to one percent of the principal amount of the loan which is collected by the lender at the time the loan is made. If any points were paid in securing this loan, indicate how many were paid and if the points were paid by the buyer, seller, or both.

Y/N _____ If yes, how many? _____

16. **Enter the day, month, and year, and have at least one of the parties sign the document, marking the pertinent identification of each.**

Signed this _____ day of _____, _____.

GRANTEE

RICO PROPERTIES LIMITED LIABILITY COMPANY


RICHARD M. THEILE, MANAGER

INFORMATION FOR REAL ESTATE 1099-S REPORT FILING
as Required by the Internal Revenue Service

SOLICITATION

Section 6045 of the Internal Revenue Code, as amended by the Tax Reform Act of 1986, requires the reporting of certain information to the IRS on real estate transactions. The information may also be sent to other third parties. You are required by law to provide the settlement agent with your correct taxpayer identification number. If you do not provide the settlement agent with your correct taxpayer identification number, you may be subject to civil or criminal penalties imposed by law.

File Number: 94010047B Taxpayer ID Number: 860609764
Taxpayer ID Type: 1 (1 = business, 2 = individual)

INDIVIDUAL/BUSINESS SELLER NAME

Name Line 1: RICO DEVELOPMENT CORPORATION, A COLORADO CORPORATION
Name Line 2: _____
Name Line 3: _____
Name Line 4: _____

MAILING ADDRESS

Street: _____
City: _____ State: COLORADO
Zip Code: _____

TRANSACTION INFORMATION

Closing Date (MMDDYY): 04/01/94 Contract Sales Price: \$ 1,515,500.00
Description of Property: DOLORES COUNTY PROPERTY
(Street Address or brief form or legal)

Has the seller received (or will receive) property (other than cash and consideration treated as cash) or services as part of the consideration for this transaction? Answer Y for YES; N for NO: N

If multiple sellers - Request is hereby made that you allocate the sales price among the sellers as follows:

CERTIFICATION

Under penalties of perjury, I certify that the number shown on this form is my correct Taxpayer Identification Number. I also certify that the other information shown herein is correct. I acknowledge receipt of a copy of this form.

DATE: April 01, 1994 RICO DEVELOPMENT CORPORATION, A
COLORADO CORPORATION
Wayne E. Webster
WAYNE E. WEBSTER, PRESIDENT

SETTLEMENT AGENT INFORMATION

Telluride Mountain Title Company
335 W. Colorado Avenue
P.O. Box 1440
Telluride, CO. 81435
Taxpayer ID Number: 84-1119040

SUBSTITUTE FORM 1099S

This is important tax information and is being furnished to the Internal Revenue Service. If you are required to file a return, a negligence penalty or other sanction will be imposed on you if this item is required to be reported and the IRS determines that it has not been reported.